

A STUDY ON RETAILING OF BANAS DAIRY'S PRODUCTS AT AMUL PARLOUR IN SELECTED VILLAGES OF PALANPUR AND VADGAM TALUKA

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ABSTRACT

The study was carried out to know and analyse the retailing status of banas dairy's products in the villages through Amul parlours which comes under dairy cooperative society and to find out the reasons behind nonexistence of Amul parlour under DCS in selected villages. Two Talukas of Banaskantha District i.e. Palanpur and Vadgam Taluka were selected purposively. During the survey it was observed that most of the parlours were dealing with retailing of milk, buttermilk, dahi, ice-cream and ghee. Milk and buttermilk were sold regularly in morning and evening and order was placed daily basis and mainly in morning time. Leakage and supply timings were main problems faced by retailers. Out of 9 retailers, 4 retailers were facing problem of leakages in pouches of milk and buttermilk and timing of supply while 3 retailers were facing problem of Leakage. Approximately 66.7% retailers were satisfied with banas dairy's services. There were 18 villages where Amul parlour does not exist. For knowing the reasons behind it, the mantris of respective dairy cooperative societies were selected as respondent to find out the reasons behind it. It was observed that unavailability of space to build the building for parlour, unavailability of employee to appoint at Amul parlour and unawareness about the policies of dairy regarding operationality of Amul parlour were the main reasons. They also said that if these problems are solved they will try to open parlour under DCS in their villages.

KEYWORDS: Retailers, Dairy Products, Dcs (Dairy Cooperative Society)

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INTRODUCTION

In earlier days of establishment of dairy industries in India, it has been considered as a rural cottage industry. Towards the end of nineteenth century, the Semi-commercial dairy activities have been started with the establishment of military dairy farms and co-operative milk unions in all over the India and made rapid progress since Independence. During its rapid growth, a large number of modern milk plants and product factories have since been established. The routine commercial production of different dairy products including Indian as well as Western dairy products has been started by different organized dairies in India. These organized dairies have been successfully engaged in the routine commercial production of pasteurized bottled milk also.

Scenario of Indian Dairy Industry

With an establishment of Military Dairy Farms in India, an organized milk handling was started and milk handling by Co-operative Milk Unions was started throughout the country on a small scale in early stages. In 1945, the first long distance refrigerated rail-transport of milk was started from Anand to Bombay. With the establishment of Five – Year Plan with main focus on dairy development, Pasteurization and bottling of milk for organized distribution was started at Aarey in 1950, Calcutta (Haringhata) in 1959, Delhi in 1959, Worli in 1961

and, Madras in 1963 with the main objectives of to produce more, better and cheaper milk for increasing milk consumption at national level and to ensure the better return to the primary milk producers.

With an annual output of 146.3 MT, India is the largest producer of the milk in the world. It also has the largest milk-producing animal population of over 118 million. According to the estimation given by National Dairy Development Board, demand for milk in India is expected to increase from 138 million tonnes in 2014 to 200 million tonnes in 2022 accounting the CAGR of 5%.

The move towards value added dairy products, offer higher margins than liquid milk for the Indian Milk Industry. According to a report by CARE Ratings, the growth rate of increase in share of value added products in the milk and milk derivatives segment in India is around 25% per annum and the same growth rate is expected until 2019-20. In Indian dairy sector, almost 75-80% of the Indian dairy market is still unorganized and in the organized sector, the liquid milk has been occupied large part of the market. But in present days, a clear shift from unorganized to organized industry and a shift from liquid milk to value added milk products has been observed in Indian dairy sector.

Milk Production

India is the largest producer of Milk in the World accounting for 18.5% of world production (Replacing USA). India's milk production has been increased from 21.2 million MT in 1968 to 88.1 million MT in 2003-04 followed by 137.69 million tons during 2013-14 and 146.3 million tonnes during 2014-15 recording growth of 6.26%. Whereas, the increase in world milk production from 765 million tons in 2013 to 789 million tons in 2014 (with the rate of 3.1%) had been reported by FAO. (Economic survey: 2015-16).

Per capita availability of milk increased from 112 grams per day in 1968-69 to 176 grams per day in 1990-91 followed by 231 grams per day in 2003-04 and 322 grams per day by 2014-15 and is more than the world average of per capita milk availability i.e.294 grams per day during 2013. (Economic survey: 2015-16). This shows the sustained growth in milk and milk products availability for meeting the milk demand of the growing population. Dairy industry also has been considered as an important secondary source of income for millions of rural households which are engaged in agriculture. Dairy industry represents a huge opportunity being the largest single FMCG Market: Urban Market size Rs 33000 Crores and organized sector Rs 11000 Crores representing a huge opportunity for conversion and growth.

Some of the key challenges before Indian dairy industries are ensuring quality, procurement and efficiencies in supply chain and product differentiation and value addition. Most of the industries run mainly on availability, service frequency, affordability, taste and, marketing. In case of consumer satisfaction, availability plays a vital role because purchasing power depends on the availability of the product. In case of retailer or distributor, service has been considered as main factor. A retailer or retail store is a person or business enterprises whose sales volume comes primarily from retailing activities like selling goods or service directly to the customers.

Need of Study

In the competitive world, every company is trying to deliver outstanding satisfaction to each member like retailers, wholesalers and consumers in order to maximize their market share and to become a leader in the particular industry. The market survey of retailers, wholesalers and customers helps the company to charts out the position of the company as compared to the competitors in the market. This study helps the organization to find out the feasibility for Amul parlour in the villages of Palanpur and Vadgam taluka and also in analysis of retailing status of banas dairy's product

through Amulparlour. It also helps to know the problems faced by the retailer and milk mandali in villages.

Scope of Study

The study carried out on retailing products of Banas dairy at Amulparlour which comes under DCS in selected villages of Palanpur and VadgamTaluka. It gives information about the retail products and its requirement. It also helps to find out the problems faced by retailers and mantris of different mandalis regarding banas dairy's services, products and Opening of the Amulparlour in that villages respectively.

Objectives of Study

- To study retailing of Banas dairy's products at Amulparlour in selected villages
- To find out the reasons behind nonexistence of Amulparlour under DCS in selected villages

Limitations of the Study

- The scope of study is limited to the respondents from selected villages of Palanpur and VadgamTaluka.
- The project is carried out for the period of 45 days only.
- The sample unit was also 27 respondents or retailers from 27 villages.

Company Profile

The Banaskantha District Co-operative Milk Producers Union Ltd. is known as Banas Dairy (Banaskantha District Cooperative Milk Federation, Palanpur) and it is located in Banaskantha district of Gujarat, India. Banas dairy was founded in 1969 according to the 1961 rule of the National Dairy Development Board under Operation. An important role was played by Galbabbhai Nanjibhai Patel in the foundation of the dairy. The dairy's per day milk collection is an average of around 35 lakh litters. The head quarter of Banas dairy is at Palanpur. Approximately 2600 employees are working at Banas dairy. Total revenue of Banas dairy in the year of 2014-15 was Rs. 6800 crore.

RESEARCH METHODOLOGY

Source of Data

Primary data was collected from the selected respondents (retailers) with the help of schedule. Secondary data was collected from journals and website i.e. www.banasdairy.coop

Research Design

- **Sample Selection:** In sample selection the study includes area of the study, sample size and sample selection procedure.
- **Area of the Study:** 27 villages from Palanpur and VadghamTaluka of Banaskantha District were selected for the study.
- **Sample Size:** 27 respondents from each village out of which 9 were retailers and 18 were mantris of respective DCS were included in sample
- **Sample Selection Procedure:** Sample selection done by using convenient sampling and purposive sampling technique which comes under the non-probability sampling technique.

- **Statistical Tools & Packages:** Garret ranking method, Frequency analysis and SPSS-20 were used.

RESULTS AND DISCUSSIONS

Retailing of Banas Dairy's Product

Out of 27 villages of Palanpur and Vadgamtalukas, only in 9 villages Amulparlour was retailing banas dairy's products which consists of 33.3% of total villages and in rest of the villages no Amulparlour exist. The table given below shows the number of retailers dealing with retailing of different selected products and their per day requirement.

Table 1: Dairy's Selected Product Retailing Status at Amulparlours

Product Name	No. of Retailer Dealing with Dairy's Products	Requirement In Crates Per Day			
		< 5	5-10	10-15	>15
Milk	6	2	1	1	2
Butter milk	8	2	1	1	4
Dahi	5	4	1	0	0
		Requirement in Rs. per day			
		<500	500 – 1000	1000-1500	>1500
Ice- cream	7	4	0	2	1
Other milk product (Ghee, Shrikhand. Amul cool)	7	2	2	0	3

Area Covered by Each Parlour in Villages

From the study, it was observed that mostly one parlour in one village exist under DCS cover the whole village though the private parlours were there but people mostly prefer to purchase from Amulparlour because they get product at low price as compared to other. One parlour is delivering the dairy product in whole village.

Problems Faced by Retailers



Figure 2: Problems Faced by Retailers

From the above chart, we can observed that leakage is the main problem ranked first by most of the retailer which was followed by timing of supply and wastage of product and price. The ranking was given by Garrett ranking method.

Satisfaction Status

From 9 retailers, 6 retailers were fully satisfied with banas dairy's services and product quality, margin given by dairy, incentives and the main reason is that dairy treat them as a shareholder rather than a retailer only. 3 retailers were not satisfied and the main reason for low satisfaction were the problem of leakage and timing of supply of the product. So the overall satisfaction level is 66.7%.

Reason Behind Nonexistence of Amulparlour

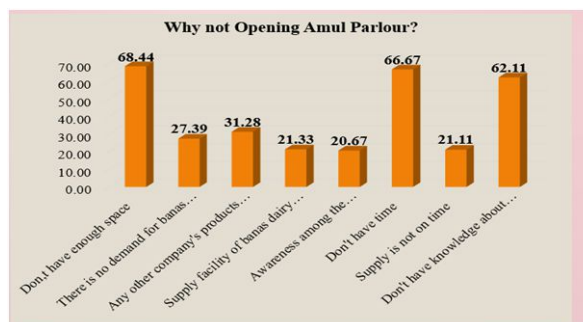


Figure 3: Reasons for Not Opening the Amulparlour

The main reason behind nonexistence of Amulparlour in 18 villages were unavailability of space, scarcity of time and employee and unawareness about the banas dairy's policies regarding operationality of Amulparlour among the mantris of DCS. The reasons were ranked by mantri of dairy cooperative society of respected villages and Garrett ranking method was applied to get the result.

Major Findings

- During the survey, it was found that milk and buttermilk were mostly sold at Amulparlour in villages.
- It was found that most of the retailers were facing problems of leakages and timing of delivery of order at their door step.
- There are some villages where the Amulparlour under DCS do not exist. During the survey it was found that due to unavailability of space, employee (time) and less awareness about the banas dairy's policies, they never tried to open the Amulparlour.

Suggestions

- Because some villages were there where dairy is not providing direct delivery services and retailer has to purchase products from other village and sell to their village. Dairy has to facilitate supply and delivery services directly to some villages so that they can get more margin.
- Some of the mantris were not aware about banas dairy's policies regarding operationality of Amulparlour. So dairy has to provide the knowledge about the policies regarding operationality Amulparlour through some extension or seminars so that more parlours will be opened under Dairy Cooperative Societies and dairy get more benefits from that.
- Due to scarcity of time and unavailability of person to appoint for parlour, most of the DCS were not dealing with Amulparlour. Dairy can employ one employee for Amulparlour under DCS in each village.

CONCLUSIONS

Banas dairy is very big organization and market leader in milk production. The main products are milk, buttermilk, dahi, ice-cream. Dairy covers the nearby villages for retailing their product through Amulparlour. The dairy cooperative society in different villages open the parlour and sale the products in the villages. But there are only few

villages where the Amulparlour exist. During the study, it was observed that the retailers were getting enough margin and profit. The problems they face were leakage and untimely supply dairy products which should be solved. Due to unavailability of space, employee and lack of awareness about the policies regarding operationality of Amulparlour, in most of the villages, Amulparlour do not exist. But if these problems are solved they will try to open parlour under DCS in their villages.

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